GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:42
ANSWERED ON:02.07.2009
DEMAND AND SUPPLY OF PETROLEUM PRODUCTS
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the current demand and supply status of petroleum products, product wise in the country and the total contribution of our indigenous oilfields in total production;

(b) whether there has been continuous fall in crude oil production in the country over the last three years;

(c) if so, the details thereof and reasons therefor;

(d) the details of oilfields in the country where exploration work is going on indicating the installed capacity, likely production, details of companies involved in exploration,investment oilfields-wise;

(e) whether public sector oil companies including Oil and Natural Gas Corporation (ONGC) has taken any steps to increase the oil production to meet the country's demand;

(f) the parameters for giving licence for exploration including the monitoring mechanism under New Exploration Licensing Policy (NELP);

(g) whether any case of violation of the policy came to the notice of the Government during the last two years; and

(h) if so, the details thereof including the action taken thereon?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS(SHRI JITIN PRASADA)

(a): The consumption, production, import and export of major petroleum products during the year 2008-09 are given below: -

Figures in Thousand Metric Tonnes (TMT)
(Provisional)

	Consumption	Production	Import	Export
Liquefied Petroleum Gas(LPG)	12193	9170	2347	109
Motor Spirit(MS)	11257	16021	397	5330
High Speed Diesel(HSD)	51668	63031	2734	13769
Kerosene	9303	8461	1449	77

Total contribution from indigeneous oil fields in petroleum production during the year 2008-09 (Provisional) is as under:-

Figures in TMT

Production of products from indigenous crude 27000

Products from fractionators 4191

(b) & (c): No, Madam. However there is slight decline in the production of crude oil during the year 2008-09. The production of crude oil during 2006-07, 2007-08 & 2008-09 was 33.980 Million Metric Tonnes (MMT), 34.053 MMT and 33.404 MMT respectively.

The slight decline in production in 2008-09 is due to less than envisaged gain from ongoing Increased Oil Recovery (IOR) and Enhanced Oil Recovery (EOR) schemes in Onshore Assets, natural decline of old oil fields and increase in water cut in major matured fields etc.

(d): Oil and Natural Gas Corporation Limited (ONGC), Oil India Limited (OIL), Private/Joint Venture Companies viz. HARDY, HOEC, CAIRN, RIL, BGEPIL, GEOENPRO, CANORO, HERAMEC, SELAN, INTERLINK, OILEX.NL, JOSHI TECHNOLOGY, NIKO GSPCL, ESSAR and GEECL are engaged in oil and gas production activities in the country. Crude oil and natural gas production is from the States of Assam, Andhra Pradesh, Gujarat, Arunachal Pradesh, Tamil Nadu, Rajasthan, West Bengal and Tripura as well as offshore areas of the country. During 2009-10, crude oil and natural gas production is likely to be 38.1 MMT and 52.16 Billion Cubic Metre (BCM) respectively. Total investment made in exploration activities upto 31st March 2009 by ONGC is Rs 154085.33 crores and by private Joint Ventures is $112236.170 lakhs. Total expenditure made by OIL in New Exploration Licencing Policy (NELP) Blocks till March, 2009 is Rs 1109.48 crores.

(e): ONGC has taken various efforts/initiatives for augmenting/maintaining the crude oil production including use of IOR & EOR and stimulation techniques for increasing production from existing fields in addition to focus on repair of existing wells, artificial lift and stimulation of wells etc.

(f): Government of India is offering exploration Blocks under NELP through International Competitive Bidding (ICB) process. National Oil Companies (NOCs), Indian and Foreign companies are required to compete with each other on an equal footing to secure Petroleum Exploration Licenses (PELs).

The Production Sharing Contract (PSC) signed with the successful bidders provides for constitution of a Management Committee (MC) to monitor various project related activities.There are two nominees of the Government representing Government in the MC whereas each Company constituting the Contractor nominates one member each to represent Company in the MC. In case the Contractor constitutes only one Company, that Company shall have two members in the MC.

(g) to (h): No violation of the policy has been reported to the Government for the last two years.